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TAGS: [PREL](#) [PGOV](#) [IZ](#)  
SUBJECT: IRAQ COMPACT: UPDATING UN MEMBER STATES ON  
NOVEMBER 13

¶1. (U) Summary: On November 13, the UN invited all member-states to an update on the Iraq Compact. Over 70 countries heard remarks from Iraqi Minister of Planning Ali Baban, Deputy Secretary General Mark Malloch Brown, and UNDP Associate Administrator Ad Melkert. All three speakers said the Iraq Compact document was nearly complete, and underscored that the Compact would be a core component of Iraq's relationship with the international community. The EU, Turkish, Australian, Korean, Canadian and UK delegations were very supportive of the Compact. Egypt and Iran, while supporting the Compact, said the process must be accompanied by political benchmarks, and called for the withdrawal of "foreign troops." End summary.

¶2. (U) Deputy Permanent Representative Alex Wolff led the U.S. delegation, and was accompanied by Treasury DAS Ahmed Saeed and USUN POL Peter Kujawinski (note taker). Over 70 countries participated, including all members of the Preparatory Group, Turkey, Australia and Iran.

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UN, IRAQI PRESENTATIONS  
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¶3. (U) Deputy Secretary General Mark Malloch Brown began the session by noting that Iraq is at a critical juncture, and the broad support of the international community is vital for Iraq's success. The Iraq Compact document, said Brown, is nearly finalized, and is characterized by a common commitment and vision shared by Iraq and the international community. Iraqi Minister of Planning Ali Baban also noted that the document was nearly complete, and described the Compact process as a vehicle for Iraq to regain its "lofty place" among nations. He said that the Iraqi government is encouraging private sector investment, reform of the hydrocarbon sector, and is working towards a free market economy. Baban called for countries to forgive all Iraqi debt. Baban specifically thanked China for its support, and noted the importance of Turkey and Iran as Iraq's neighbors.

¶4. (U) In his intervention, associate UNDP Administrator Ad Melkert said the Compact is significant in that it reflects a new Iraqi consensus in support of economic reform. He also emphasized the interlinking of political, security and economic reforms, and the need to restore regional ties and normalize Iraq's international relations. He was pointed in stating that the Compact is not based on conditionality. He closed by stating that while the Compact document needed to pay proper attention to political and security benchmarks it was nearly complete.

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MEMBER STATE RESPONSES  
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¶5. (U) The Egyptian PermRep noted that the second draft of the Compact document was much improved. He noted, however,

that there was no timeframe for the removal of foreign troops from Iraq in the Compact. Also, he noted that Iraq was a "rich country" and asked how much Iraq would contribute to the work of the Compact. Iran, in a less tendentious statement than Egypt's, said it stood by to help Iraq, was very worried about violent activities in that Iraq, and supported Egypt's call for a timeline regarding the withdrawal of foreign troops. Turkey and Australia voiced their support for Iraq and the Compact, noted that they were not part of the Preparatory Group, and said they are ready to assist the Compact process. Italy stressed that it was "a very convinced supporter of the International Compact with Iraq" and that this was a "unique change to rationalize the international communities commitment to Iraq," while also noting that it was important the Compact not be limited to economic issues. The Kuwaiti delegate expressed continued strong support for the Compact. The EU noted that it commends the work to date on the Compact and is very pleased with the Compact document, which has incorporated many of the comments expressed by the EU and others. The UK voiced support for the Compact and called for reporting on and monitoring of the national reconciliation plan. The U.S. expressed its appreciation for Baban's speech, and called on all member states to support the Compact, noting that Iraq had worked hard to manage an open and transparent process while also satisfying its urgent need for progress on the Compact. South Korea also expressed their strong support for Iraq and the Compact, noting that it was successful in disbursing 70% of its \$260 million Madrid pledge through use of multilateral vehicles.

16. (U) In reaction to these interventions, Baban said that Iraq and the coalition were working towards the withdrawal of foreign forces, and progress in the security area would help

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in this regard. Baban agreed that political and security issues certainly affect economic development and that progress in these areas will certainly help Iraq's economic situation. (Note: Baban did not, however, support the call to benchmark political and security issues. End note)

17. (U) In concluding remarks, Malloch Brown said Baban's presence at the meeting demonstrates Iraq's commitment to the Compact and to the Compact's spirit of openness and transparency. He said that the Preparatory Group's activities were coming to an end, and the Compact would soon be an open process that welcomes the contributions of all member states. Malloch Brown added that the Compact is a process that depends on the evolution of other discussions, and "one eye" is on the discussions in Washington and on possible changes in policy that may or may not occur. Discussions in Baghdad will also have an impact, said Malloch Brown. As a final note, he said it is important for Iraq's neighbors to be transparent in their support of Iraq.  
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